

## SAVINGS AND RESERVE POLICY

The *strength and sustainability* of an organization is often matched against the amount of reserve or savings it has amassed.

The purpose of reserve and/or savings is to maintain a readiness. The ability to respond to an external force such as government regulation, or to take advantage of an opportunity that arises, such as the purchase of real estate.

### Savings and Reserve Policy

A Reserve Account equal to or exceeding 30% of the operating budget shall be established for Utah Chapter 33 with the following goals in mind:

- Capital Improvements/Assets
- Unexpected marketing opportunities
- Innovation
- Economic shift
- Budget shortfall

#### A. Deposits

If the account falls below 30%, a deposit in the amount of no less than \$500 will be made to the Reserve account from the general operating budget on a monthly basis.

The Association Executive, with Board approval, will allocate excess operating cash, if available, to the reserve after the fiscal year end close. The reserves will be invested per the Association's investment policy.

#### B. Withdrawals

Withdrawals from the Reserve Account must be approved by the Executive Council 30 days prior to the withdrawal, Withdrawals can only be made in the month of November when investment accounts mature.

Approved: December 31, 2016